

FILED
Clerk
District Court

OCT 12 2006

For The Northern Mariana Islands
By _____
(Deputy Clerk)

1 LEONARDO M. RAPADAS
2 United States Attorney
3 MARIVIC P. DAVID
4 Assistant U.S. Attorney
5 Suite 500, Sirena Plaza
108 Hernan Cortez Street
Hagåtña, Guam 96910
Telephone: (671) 472-7332/7283
Telecopier: (671) 472-7334

6 Attorneys for United States of America

7 **IN THE UNITED STATES DISTRICT COURT**
8
FOR THE DISTRICT OF GUAM

10 UNITED STATES OF AMERICA,) CRIMINAL CASE NO. 97-00023
11)
12 Plaintiff,)
13 vs.)
14 DIONICIO REYES LIZAMA, JR.,) GOVERNMENT'S OBJECTION
15) TO CLAIM OF EXEMPTION
16 Defendant-Debtor,)
17 and)
18 LUEN FUNG ENTERPRISES,)
19 Garnishee)
-----)

20 On October 16, 1997, a judgment was entered against Dionicio Reyes Lizama, Jr.
21 (hereinafter defendant-debtor) in the amount of a \$7,500 fine plus interest which accrues at the
22 rate of 5.49%. During his supervision with the U.S. Probation Office the defendant-debtor
23 agreed to pay \$50 per month beginning November 11, 2001 towards his debt. Because the
24 defendant-debtor did not fulfill this obligation, penalties of 25% were assessed for the months
of March 2003, August 2003, and October 2003. (Exhibits A and B).

25 //
26 //
27 //
28 //

1 Prior to the end of his supervision period, the defendant-debtor agreed to a wage
2 garnishment of \$25 per pay period or at least \$50 per month. (Exhibit C). During the
3 approximately 9-year period since the Honorable Court ordered the defendant-debtor to pay a
4 \$7,500 fine, the current balance as of October 12, 2006 remains \$6,313.65.

5 [\$3,405.00 principal + \$2,871.15 interest + \$37.50 penalties]

6 On December 16, 2005 the defendant-debtor signed his financial statement form with
7 knowledge of the penalties for false statements (Exhibit D). The defendant-debtor has been
8 employed with garnishee - Luen Fung Enterprises - for at least four years, with a disposable net
9 bi-weekly income of \$434.23 (gross minus taxes). The defendant-debtor listed his residence was
10 located at Kagman I. The defendant listed no other real estate or source(s) of income except his
11 Luen Fung Enterprises wages and the Kagman I property, respectively, although the financial
12 statement at number 31 specifically asks the defendant-debtor to list "the address and description
13 of each property" owned. The defendant's financial condition reflected an ability to pay more
14 than the current garnishment of \$25 per pay period. In fact, the defendant-debtor added loans to
15 creditors in the amount of \$481 in monthly payments while continuing to pay only \$25 per pay
16 period towards this fine. Furthermore, the defendant-debtor failed to disclose the following:

17 a. the availability of two rental incomes which he disclosed to the Bank of Saipan in
18 obtaining a \$16,146.28 loan on about March 1, 2005 and assigned as security interest /
19 collateral in this loan (Exhibit E);
20 b. defendant-debtor owns Lot number 002 G 083 with improvements in Kagman II
21 Subdivision the market value of which was approximately \$121,000.00 as of
22 February 23, 2005 (Exhibit F);
23 c. defendant-debtor owns land with improvements in Garapan with an unknown market
24 value;
25 d. all income as provided on his annual income tax returns.

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1 In this instant action, the Plaintiff seeks an amended writ of continuing garnishment of 25
2 percent of \$868.23 monthly disposable income which is reasonable considering the available
3 income of the judgment-debtor, the size and time-frame of the judgment. Property of the
4 defendant-debtor subject to a writ of garnishment under 28 U.S.C. § 3205(a) includes nonexempt
5 disposable earnings. Title 15, U.S.C. § 1673(a) provides that the maximum amount of wages
6 that can be garnished cannot exceed the lesser of 25 percent of the disposable earnings for the
7 week, or the amount by which its disposable earnings exceed thirty times the federal minimum
8 wage.

Respectfully submitted this 12th day October, 2006.

LEONARDO M. RAPADAS
United States Attorney
Districts of Guam and the NMI

By: /s/ Marivic P. David
MARIVIC P. DAVID
Assistant U.S. Attorney
marivic.david@usdoj.gov



U.S. Department of Justice

United States Attorney
District of Guam

Sirena Plaza, Suite 500
108 Hernan Cortez Avenue
Hagåtña, Guam 96910

(671) 472-7332
FAX (671) 472-7215

December 3, 2003

Donicio Lizama
P.O. Box [REDACTED]
Saipan, MP 96950

RE: U.S. vs. Donicio Lizama, CR 97-00023

Dear Mr. Lizama:

On October 16, 1997 you were ordered to pay a \$7,5000 fine which you were to pay in monthly installments of \$50.00 per month beginning November 11, 2001. Your payment for March 2003 is more than 90 days late, therefore, a penalty of 25% of the total amount due has been assessed to your account. Your payment for August 2003 is more than 60 days late, therefore, a penalty of 10% of the total amount due has been assessed to your account.

A total penalty in the amount of \$17.50 has been added to your account and your balance as of December 3, 2003 is \$7,376.41. Any questions you may have may be directed to the undersigned at (671) 472-7332, extension 124.

Sincerely,

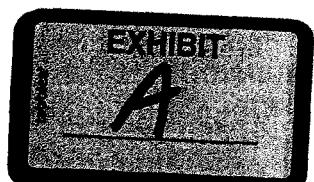
LEONARDO M. RAPADAS
United States Attorney
Districts of Guam and the NMI

By:

MICHELLE PEREZ
MICHELLE PEREZ
Financial Litigation Agent

Encl.

cc: U.S. Probation Office





U.S. Department of Justice

United States Attorney
District of Guam

Sirena Plaza, Suite 500
108 Hernan Cortez Avenue
Hagåtña, Guam 96910

(671) 472-7332
FAX (671) 472-7215

February 4, 2004

EX-1
JF

Donicio Lizama
P.O. Box [REDACTED]
Saipan, MP 96950

RE: U.S. vs. Donicio Lizama, CR 97-00023
penalty

Dear Mr. Lizama:

On October 16, 1997 you were ordered to pay a \$7,5000 fine which you were to pay in monthly installments of \$50.00 per month beginning November 11, 2001. Your payment for August 2003 is more than 90 days late, therefore, an additional penalty of 15% of the total amount due has been assessed to your account. Your payment for October 2003 is more than 90 days late, therefore, a penalty of 25% of the total amount due has been assessed to your account.

A total penalty in the amount of \$20.00 has been added to your account and your balance is \$7,394.99. Any questions you may have may be directed to the undersigned at (671) 472-7332, extension 124.

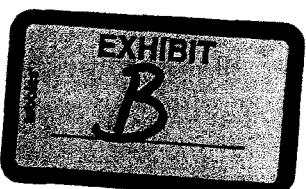
Sincerely,

LEONARDO M. RAPADAS
United States Attorney
Districts of Guam and the NMI

By:


MICHELLE PEREZ
Financial Litigation Agent

cc: U.S. Probation Office



C O P Y of
Original Filed
on this date

UN 29 2004

Clerk
District Court
for The Northern Mariana Islands

1 LIZAMA_D.gar

2 LEONARDO M. RAPADAS
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4 Sirena Plaza, Suite 500
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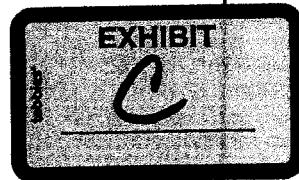
8

9 IN THE UNITED STATES DISTRICT COURT
10 FOR THE NORTHERN MARIANA ISLANDS

11
12 UNITED STATES OF AMERICA,) CRIMINAL CASE NO. 97-00023
13 Plaintiff,)
14 vs.) WRIT OF CONTINUING
15 DONICIO REYES LIZAMA, JR.,) GARNISHMENT
16 Defendant,)
17 LUEN FUNG,)
18 Garnishee.)
19 _____

20
21 Upon stipulated motion of Plaintiff and Defendant for an order of Writ of Continuing
22 Garnishment on Defendant, DONICIO REYES LIZAMA, JR.'s wages in the amount of \$25.00
23 per pay period;

24 //
25 //
26 //



1 IT IS HEREBY ORDERED that Garnishee place a continuous writ of garnishment on
2 wages in the amount of \$25.00 per pay period of DONICIO REYES LIZAMA, JR., Social
3 Security Number [REDACTED] 5143, until further notice.

4 Checks should be made payable to:

5 **CLERK, U.S. DISTRICT COURT FOR THE NMI**

6 and mailed to:

7 U.S. District Court for the
8 Northern Mariana Islands
9 2nd Floor, Horiguchi Building
Garapan
P.O. Box 500687
10 Saipan, MP 96950

11 DATED this 29th day of June, 2004.

12
13 *Alex R. Munson*
14 ALEX R. MUNSON
15 Chief Judge
16 District Court for the Northern
17 Mariana Islands
18
19
20
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22
23
24
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U.S. Department of Justice

Financial Status of Debtor
(Submitted for Government Action on
Claims Due the United States)(NOTE: Use additional sheets where space on this form
is insufficient or continue on reverse side of pages.)

Authority for the solicitation of the requested information is one or more of the following: 5 U.S.C. 301, 901 (see Note, Executive Order 6166, June 10, 1933); 28 U.S.C. 501, *et seq.* 31 U.S.C. 951, *et seq.*; 44 U.S.C. 3101; 4 C.F.R. 101, *et seq.*; 28 C.F.R. 0.160, 0.171 and Appendix to Subpart Y.

The principal purpose for gathering this information is to evaluate your capacity to pay the Government's claim or judgment against you. Routine uses of the information are established in the following U.S. Department of Justice Case File Systems published in Vol. 42 of the Federal Register: Justice/CTV-001 at page 53321; Justice/TAX-001 at page 15347; Justice/USA-005 pages 53406-53407; Justice/USA-007 at pages 53408-53410; Justice/CRIM-016 at page 12774. Disclosure of the information is voluntary. If the requested information is not furnished, the U.S. Department of Justice has the right to such disclosure of the information by legal methods.

PERSONAL IDENTIFICATION

1. Name (last name, first name, middle initial) Lizama Dionicio Reyes	2. Birth Date (mo. day yr.) [REDACTED] 59	3. Social Security No. [REDACTED] - [REDACTED] - 5743
4. Home Address (Residence) Kagman 1	5. Driver's License No. (& State) / Expiration 2551-2000 Exp. 10/17/2001/CA	
Mailing Address (if different from above) P.O. Box [REDACTED]	6. Home Phone (& Area Code) ([REDACTED]) [REDACTED] 0327	

EMPLOYMENT

7. Present employer's name Luen Fung Ent.	8. Employer's Phone No. (& Area Code) (670) 234-7243
9. Employer's Address (Street) Galo Rai	10. Job Title Warehouse man
(City, State, ZIP) Saipan MP 96950	US Attorney's Office Districts of Guam & NMI
Length in Present Employment 4 years	

12. List other employers you have had in the last 3 years:

Same as above.

JAN 03 2006

TIME _____
DATE _____
FILE NUMBER _____
Entered into Database by: _____106
JFETC

SPOUSE/COMPANION

13. List current spouse/companion's name Jane P. Lizama	14. Social Security No. [REDACTED] - 3959	15. Birth Date (mo. day yr.) [REDACTED] - 69
16. Spouse/companion's home address (if different from yours) Same as above	17. Spouse/companion present employer's name and address None	
18. Employer's phone number (& area code) None	19. Job Title None	
20. Length in present employment None		

DEPENDENTS (17 years of age and below)

21. List all dependents who live with you:

NAME

AGE

RELATIONSHIP

[REDACTED]	Lizama	17	Daughter
[REDACTED]	u	16	4
[REDACTED]	u	12	Son
[REDACTED]	u	7	"

22. List names and addresses of all dependents who do not live with you:

NAME/ADDRESS

AGE

RELATIONSHIP

[REDACTED]	Pangilinan	Chalan Ranoa	19	Daughter
[REDACTED]				
[REDACTED]				

EXHIBIT

3

23. List amount of monthly income received by dependents from any sources other than you or your spouse: \$ 0

24. Total amount of monthly income paid by you or your spouse to dependents listed in item 22. \$ 100. -

25. Does spouse/companion receive alimony or child support from a previous marriage? If yes, amount: \$ No

26. List names and addresses of Parents/In-Laws, if living.: David E. & Maria V. Pangelinan

27. List name, address, phone number and relation of nearest relative: Antonio Albañez, Chalan Ranox
7690, Uncle

TAXES

28. Did you file an Income Tax Return last year? Yes No
 Joint Individual Amount of Gross Income on return \$ 13,145.14

29. Are you or did you receive a tax refund?
 Yes No If yes, list from whom and amount for each refund:
Only Child Tax Refund Total Amount \$ 1,005. -

30. Do you owe delinquent taxes? Yes No If yes, list years and amounts due below:

**Attach a copy of your last income tax form filed

REAL PROPERTY/FARM LAND/VACATION/RENTAL

31. Are you buying or do you own the home in which you live? Yes No
 Are you buying or do you own real property? Yes No
 If yes, list the address and description of each property:

Kagman Homestead
3 bedroom Concrete house

32. List the value of each piece of property and your equity in it: \$ 75,000.00

33. Is any of the above listed property owned jointly with anyone else? Yes No
 If yes, list property and the name of the co-owner:

Kagman Homestead
Owners: Dionicio R. & Jane P. Lizama

34. Are you making mortgage payments? Yes No If yes, amount? \$ _____

35. Do you rent the property to others? Yes No
 If yes, what is the net income to you? \$ _____

36. Does your spouse/companion solely own real property? Yes No
 If the answer is yes, list the property address and value:

 _____ \$ _____

SALARY, WAGES, COMMISSION OR RETIREMENT INCOME

37. Your gross income (before any deductions) Debtor Spouse/Companion
 Check one: semi-monthly monthly bi-weekly weekly

\$ 491.50

List the amount of deductions for

38. Federal Withholding Taxes.....	\$ _____	\$ _____
39. Local Withholding Taxes.....	\$ 19.66	\$ _____
40. FICA/Medicare.....	\$ 37.61	\$ _____
41. Gross Wages minus Taxes.....	\$ 434.23	\$ _____
42. Rental Income.....	\$ 0	\$ _____
43. Pension.....	\$ 0	\$ _____
44. Interest/Dividends.....	\$ 0	\$ _____
45. Other Income (Specify):	\$ 0	\$ _____

46. Total Household Wages..... \$ 434.23

Attach a copy of your last pay slip to this form

47.

FIXED MONTHLY EXPENSES (Fill in Blanks)

Rent/Mortgage	\$ _____	Home Insurance & Taxes	\$ _____
Car Payment	\$ _____	<i>List only if paid directly by you</i>	
Gasoline	\$ 250. -	Car Insurance	\$ 40. -
Electricity	\$ 105. -	Water	\$ _____
Natural Gas (Butane)	\$ 35. -	Telephone	\$ _____
Cable TV	\$ _____	Other Utilities (Specify)	\$ _____
Medical Insurance	\$ 20. -	Public Transportation	\$ _____
Life Insurance	\$ _____	Dental Insurance	\$ _____
Retirement / 401(k)	\$ _____	Union Dues	\$ _____
Food	\$ 200. -	Other (Specify)	\$ 80. - → Household supplies
		Other (Specify)	\$ 100. - → Children's needs
Subtotal \$ _____		Subtotal \$ _____	
GRAND TOTAL \$ 820. -			

*list creditor below

List credit card, installment or other payments (If additional space needed, use last page or attach additional sheets.)

Creditor	Date of Debt/Purpose	Total Amount Due	Date of last payment	Payment amount	Frequency
Wells Fargo	4/22/05 renovate house	\$ 5,000. -	10/27/05	\$ 146. -	

TOTAL FIXED MONTHLY EXPENSES \$ 966. -

48.	CASH	
Provide name and address of Bank or Institution:		
None		Amount in account or on deposit
Checking Account Number:		
Savings Account Number:		
Credit Union Account(s) Number:		
Money Market Account:		
Certificate of Deposit(s):		
IRA or Keough Account:		
		Total Amount \$ _____
OTHER ASSETS		
49. Do you or your spouse/companion own U.S. Savings Bonds? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, number (_____). State Denomination _____ Value \$ _____		
50. Do you own stocks or other type bonds? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, list value and name and address of issuer: _____ \$ _____ (If additional space needed, use back of last page.)		
51. Do you or your spouse/companion receive any other cash compensation, such as an insurance annuity, lottery winnings, pensions, retirement pay, or disability benefits? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Do you or your spouse/companion receive food stamps, SSI funds or unemployment compensation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes to either of these questions, list below the source and amount: Food stamps (Monthly) \$ 382.00 \$ _____		
52. List make and model of any auto owned or being purchased by you, your spouse/companion or dependent:		
Model (include year)	Make/License No.	Value
Toyota Camry 2000	2000 Model ACT282	8,000.00
53. Do you or your spouse/companion own: a boat? \$ _____ a camper/recreational vehicle? \$ _____ a motorcycle/bike? \$ _____ an airplane? \$ _____ antiques, art objects or stamp collections? \$ _____ jewelry valued over \$5,000? \$ _____		
Is any of the property listed above owned jointly with anyone else? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, whom?		Total Amount \$ _____

54. Do you, your spouse/companion and/or your dependents rent or use a safe-deposit box? Yes No

If yes, where is the safe-deposit located: _____

Other safe-deposit box information:

Name(s) Listed	Number/Identification	Contents	Ownership	Value
	None			

ITEMS WHICH MIGHT AFFECT FUTURE ASSETS

55. Are you involved in a lawsuit in which you might receive money or something of value? Yes No If yes, state where the suit is filed and what it involves: (include Court number and caption) _____

56. Are you a Trustee, Executor, or Administrator of an estate? Yes No If yes, give details: _____

57. Is anyone holding money on your behalf? Yes No If yes, give details: _____

58. Is there any likelihood you will receive an inheritance? Yes No If yes, give specific details: _____

59. Have you sold or transferred either real property or stocks and bonds during the past 3 years? Yes No If yes, give specific details: _____

60. Are your wages and/or those of your spouse under garnishment at this time? Yes No If yes, give specific details: _____

Peduction from salary ever Month \$50.

61. Are there outstanding unpaid judgments against you for any debts other than this one? Yes No If yes, give specific details: _____

62. Do you owe large medical bills? Yes No If yes, give specific details and attach copies of the bills: _____

• • • • •

With knowledge of the penalties for false statements provided by 18 U.S.C. § 1001 (\$10,000 fine and/or five years imprisonment) and with knowledge that this financial statement is submitted by me to affect action by the U.S. Department of Justice, I certify that I believe the above statement is true and that it is a complete statement of all my income and assets.

Full payment of this debt owed to the United States Government is not possible at this time. Therefore, I hereby offer to pay \$_____ monthly until this debt is paid. I would like to have my payments due on the _____ of each month. The first payment is enclosed and attached to this Financial Statement. I understand that any repayment agreement is temporary and subject to review at least every year.
(Note: Payments should be scheduled either for the 1st or 15th of each month.)

12/14/05

Date

John T. Stogano

Legal Signature

NOTE: If you have added additional sheets to this form, you must also sign these sheets. Any repayment agreement is temporary and subject to review at least every year.

Payment Schedule	Number of Payments	Amounts of Payments	When Payments Are Due -monthly beginning
		\$	
		\$	
	59	\$ 335.17	April 01, 2005
	1	\$ 328.67	March 01, 2000

Variable Rate Feature

 VARIABLE RATE

The annual percentage rate may increase during the term of this transaction if:

Your required deposit falls below 105% of your outstanding loan balance.
 The Bank of Saipan Savings rate of ____% changes. Your employment with Bank of Saipan is terminated.
 Other (specify) _____

The interest rate of this loan will never exceed ____%. The interest rate of this loan will not increase more than once every _____. Any increase will take the form of a larger amount due at maturity. Any increase is at our discretion.

Your loan contains a variable rate feature. Disclosures about the variable rate feature have been provided to you earlier.

Effect of Interest Rate Increase. Example of a typical transaction: If your loan is for \$10,000 at an initial interest rate of 15% over a 60-month term, and the interest rate increases to 16% at the end of the first month, your annual payment would increase from \$ 231.71 to \$693.35.

1) Real Estate Mortgage Lot 002 G 83 (see attached "Exhibit A")
 2) Assignment of Rental Incomes

Security. You are giving a security interest in:

the goods or property being purchased any amount we owe you, such as your checking or savings account.

collateral securing other loans with you may also secure this loan.

Late Charge. If a payment or part of a payment is more than 10 days late, you will be charged 5% of the scheduled payment due, but not less than \$5.00.

Prepayment. If you pay off this loan early, you will not have to pay a penalty. You will not be entitled to a refund of part of the finance charge.

Required Deposit. If you are required to maintain a deposit for this loan, the annual percentage rate does not take into account the required deposit.

Demand Feature. This note has a demand feature.

prepayment refunds and penalties.

• means an estimate

Itemization of the Amount Financed

Amount given directly:

Cashiers check no. _____
 Deposited to the account no. 5265 \$ 12,899.53

Deposited to the account no. _____
 \$ _____

Amount paid on your account:

On loan account no. _____
 On loan account no. _____
 On Wells Fargo Financial \$ 1,181.01

Amount paid on the other(s) on your behalf:

To public officials for filing fees \$ 20.00
 To insurance company for credit insurance. \$ 1,146.28
 To Loan Processing Fees, 1% of Loan Amount \$ 161.46
 To Loan Documentation \$ 318.00
 To Pacific American Title (Ins Pol) \$ 420.00
 Additional items (detail included on attached list) \$ _____
 (less) PREPAID FINANCE CHARGES (s) \$ (161.46)

Amount Financed
 (Add all items financed and subtract prepaid finance charges)

\$ 15,984.82

INSURANCE

Credit life insurance and credit disability insurance are not required to obtain credit and will not be provided unless you request the insurance and agree to pay the additional cost by signing your initials alongside the coverage you want.

Coverage Premium Credit Life \$ 1,146.28

Term Sixty (60) Months

I want credit life insurance (Signature of insured)

I want credit life insurance (Signature of insured)

Coverage Disability Premium \$ N/A

Term _____ Months

I want disability insurance _____ Months

I want disability insurance _____ Months

Property and Automobile Insurance. You may obtain property or automobile insurance required under this Note from any insurance company you want that is licensed to provide insurance in the Commonwealth of the Northern Mariana Islands.

YOUR PROMISE TO PAY. In consideration of our making the above-described loan to you, you promise to pay us the Note Amount and all other charges. Until you have done so, you will pay us interest on the unpaid balances at the Note Rate stated above. You will pay us the Note Amount based on the above payment schedule. You will pay us at the address stated above or at our branches. With your last payment, you will pay us amounts still due under this Note. You have no right to refinance any balloon payment

PREPAYMENT. You will not be entitled to a refund of a part of the finance charge.

LATE CHARGES. For each payment or part of a payment that we don't receive within 10 days after it is due, you will be charged 5% of the scheduled payment that is due but not less than \$5.00. We won't charge you the late charge more than once for the same late payment.

REQUIRED PAYMENT BEFORE SCHEDULE DATE. If you are in default under this Note, we may "accelerate" your payments. That is to say we may require immediate repayment of everything you owe, even though it is not yet otherwise due. We may do that without giving you advance notice. (Please refer to the Default paragraph on other side of this Note in the event you are in default.)

OUR SECURITY. To assure us that you will pay us and do everything as you have promised in this Note, you will give us a Security Agreement in this Property, which you own or will own. (hereafter termed "Property"). Either before or after enforcing our security, and without risk to any of our rights, we may keep and apply of this Note any premiums refunded on insurance which you are purchasing under this note, along with all substitution for it, everything installed in or affixed to it and all proceeds of it including insurance proceeds, but we do not have to do so. By signing this Note you are permitting us to file this security Agreement with any government agency, court, or bureau we may choose.

NOTICE: SEE ADDITIONAL TERMS ON THE OTHER SIDE OF THIS NOTE (Cosigners see Notice to Cosigner Attachment before signing)
 By signing this Note, you acknowledge that it was filed in before you did so. You agree to all of its terms and conditions, including those on the other side of the Note and Security Agreement. You agree that you have received the Truth in Lending Disclosures. You authorize us to make payments indicated in the Itemization of the Amount Financed Section. By signing this Note you also acknowledge receipt of a copy of it.

Your Signature: *Elionicio R. Lizama, Jr.*

Your Address: P.O. Box _____
 Saipan, MP 96950

Your Signature: *Jane P. Lizama*

Your Address: P.O. Box _____
 Saipan, MP 96950

GUARANTOR (S). I (we) acknowledge that I (we) have read the terms and conditions of this Note and Security Agreement. I (we) also certify that the Bank of Saipan has provided a notice explaining the responsibility of a guarantor/co-signor and I (we) understand the obligation being undertaken by executing this document as a guarantor/co-signor. I (we) hereby agree to guarantee payment of all obligations incurred by the debtor under this agreement.

My Signature: _____

My Signature: *Jane P. L.*

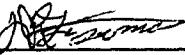
E X H I B I T A

Note Number: [REDACTED] 0691
Note Amount: \$16,146.28
Note Rate: 9.00%
Note Date: March 01, 2005
Maturity Date: March 01, 2010

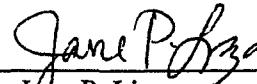
Description of Security:

- 1. Lot 002 G 83** (as more particularly described on Drawing/Cadastral Plat No. 002 G 03, the original of which was recorded 14 May 90 as Document No. 90-1900 at Commonwealth Recorder's, Saipan.)
- 2. Assignment of Rental Income**
 - a. Lot 002 G 83
 - b. Lot 1987-B2-2

Acknowledged By:



Dionicio R. Lizama, Jr.



Jane P. Lizama

FILE NO.

05-734

•05 MAR -2 A8:50

ASSIGNMENT OF RENTAL INCOME

This Assignment of Rental Income herein referred to as the "Assignment" references any and all existing and future rental agreement(s) on the residential building located on Lot No(s). 1987-B2-2 owned by Dionicio R. Lizama, Jr. and Jane P. Lizama herein referred to as the "Assignor" and any and all existing and future Tenants on said lots.

For value received, all right, title, and interest in and to any and all existing and future rental income referenced above, are hereby assigned to **Bank of Saipan**, and shall be made and delivered to **Bank of Saipan** refer to as Assignee, for the credit of Dionicio R. Lizama, Jr. and Jane P. Lizama, loan number 0691, as Borrower(s) under certain Note and Security Agreement dated March 01, 2005. All subsequent renewals, extensions, assignments and amendments of any existing and future rental agreement(s) on said property are also subject to this Assignment.

The Assignor shall establish a deposit account in which all rental income shall be deposited. The deposit account number is 5265.

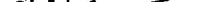
Assignor request Assignee to make the monthly lease payment using the rental income deposited into the operation account to Bank of Saipan and Jane P. Lizama under that certain lease between Assignor and Lessor. Assignee agrees to make the payment during the term of the loan referenced above.

Assignee:
Bank of Saipan, Inc.

By: Lee R. Francia
Lee R. Francia, Chief Lending Officer

Date: 3/1/05

Assignor(s)


Dionio R. Lizama, Jr.

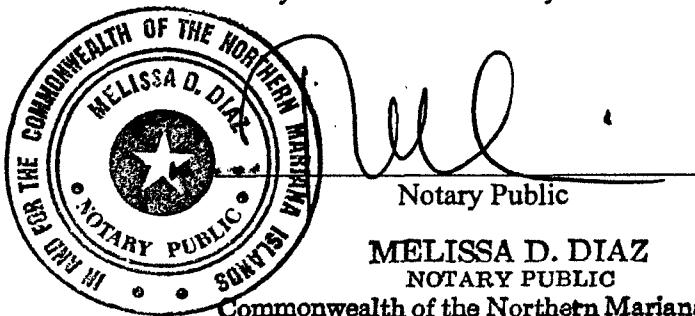
Date: 3/1/05

Jane P. Lizama
Jane P. Lizama

Commonwealth of the)
Northern Mariana Islands) Ss:
)

On this 1st day of March 2005, before me, a Notary Public in and for the Commonwealth of the Northern Mariana Islands, personally appeared Dionicio R. Lizama, Jr. and Jane P. Lizama known to me to be the person(s) who executed the foregoing **Assignment of Rental Income** and acknowledged to me that they executed the same.

In witness whereof, I have hereunto set my hand and affixed my official seal, the date first above written.



FILE NO. 05-733
B1C13 Pg 22

.....
ASSIGNMENT OF RENTAL INCOME

05 MAR -2 A 8:49

This Assignment of Rental Income herein referred to as the "Assignment" references any and all existing and future rental agreement(s) on the ~~residential building~~ located on Lot No(s). 002 G 83 owned by Dionicio R. Lizama, Jr. and Jane P. Lizama herein referred to as the "Assignor" and any and all existing and future ~~tenants~~ ^{COMPONENTS OF THE BLDG} on said lots.

For value received, all right, title, and interest in and to any and all existing and future rental income referenced above, are hereby assigned to **Bank of Saipan**, and shall be made and delivered to **Bank of Saipan** refer to as Assignee, for the credit of Dionicio R. Lizama, Jr. and Jane P. Lizama, loan number 0691, as Borrower(s) under certain Note and Security Agreement dated March 01, 2005. All subsequent renewals, extensions, assignments and amendments of any existing and future rental agreement(s) on said property are also subject to this Assignment.

The Assignor shall establish a deposit account in which all rental income shall be deposited. The deposit account number is 5265.

Assignor request Assignee to make the monthly lease payment using the rental income deposited into the operation account to Bank of Saipan and Jane P. Lizama under that certain lease between Assignor and Lessor. Assignee agrees to make the payment during the term of the loan referenced above.

Assignee:

Bank of Saipan, Inc.

By: LRF

Lee R. Frangia, Chief Lending Officer

Date: 3/1/05

Assignor(s)

DRL

Dionicio R. Lizama, Jr.

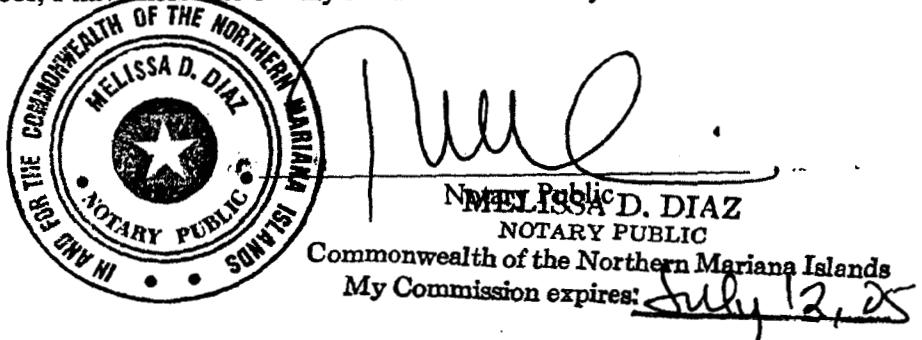
Date: 3/1/05

JPL
Jane P. Lizama

Commonwealth of the)
Northern Mariana Islands) Ss:
)

On this 18 day of March 2005, before me, a Notary Public in and for the Commonwealth of the Northern Mariana Islands, personally appeared Dionicio R. Lizama, Jr. and Jane P. Lizama known to me to be the person(s) who executed the foregoing **Assignment of Rental Income** and acknowledged to me that they executed the same.

In witness whereof, I have hereunto set my hand and affixed my official seal, the date first above written.



V.M. SABLAM & ASSOCIATES
Real Estate Appraisers/Consultants

2nd Floor, Sablan Building, San Jose
SPS # 88, P.O. Box 10006 CK
Saipan, MP 96950

Tel. No. (670) 235-8708
Fax No. (670) 235-8709
Email: vmsablan@itecnmi.com

February 24, 2005

Mr. Dionicio R. & Mrs. Jane P. Lizama
Dokdok Drive, Kagman II Subdivision,
Saipan, MP 96950

Subject : **Market Value of Lot 002 G 83**

Dear Mr. & Mrs. Lizama:

As requested, a summary of a complete appraisal report was performed on the above-described property, containing a one-storey residential building and other site improvements on said land, located along Dokdok Drive, Kagman II Subdivision, Saipan, Commonwealth of the Northern Mariana Islands (CNMI). The underlying land contain an area of 929 square meters, more or less. The description of the subject is more particularly described in the body of this report.

This appraisal was performed for the purpose of providing an estimate of the market value of the subject property, in terms of cash or in terms of financial arrangements equivalent to cash, as of February 23, 2005, the effective date of the appraisal and the date of inspection. The intended use of the appraisal is to provide the client and the Bank of Saipan (BOS) with information regarding the CNMI general data, as well as the specific data and opinion of market value of the subject property for use as guide for financing purposes.

During the appraisal process, the appraisers made a physical inspection of the interior and exterior of the subject as well as the neighborhood and the comparable properties, and made an analysis of the physical, economic, governmental and social conditions which affected real property values as of February 23, 2005, the effective date of the appraisal.

Based on this investigation and analysis, we have formed an opinion that the market value of the fee simple in the subject property, in terms of cash or equivalent subject to the definitions, certifications, and limiting conditions set forth in the accompanying report, as of the effective date, was:

**One Hundred Twenty One Thousand Dollars
(\$121,000.00)**

The analysis, reasoning and the appraisal procedures followed from which the concluded value of the subject property derived are described in the body of this report.

We certify that we have no present nor prospective interest in the property that is the subject of this report, and that the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting

conditions, and are our personal, unbiased professional analyses, opinions, and conclusions and neither the employment to make this appraisal nor the compensation is contingent upon the value reported.

Respectfully submitted,

V.M. Sablan & Associates,



Vicente M. Sablan
Principal Appraiser
CNMI Certified General Appraiser
Federally-Related Transactions
BPL License No. REA-021-93
Expiration Date: April 04, 2006

Lot 002 G 83
Location: Dokdok Drive, Kagman II Subdivision, Saipan
Owners: Mr. Dionicio R. & Mrs. Jane Pangelinan Lizama
Effective Date of Appraisal: February 23, 2005